Docket No.: IA 1510.01 US PATENT USSN: 09/912,079 Art Unit: 3627

REMARKS

Claims 1 - 14 are pending in the present application.

This Amendment is in response to the final Office Action mailed February 26, 2004. In the Office Action, the Examiner rejected claims 1-5, and 14 under 35 U.S.C. § 102(e) and claims 6, 12, and 13 under 35 U.S.C. § 103(a).

Applicant has amended claim 1. Reconsideration in light of the amendments and remarks made herein is respectfully requested.

I. REJECTIONS UNDER 35 U.S.C. § 102

In the Office Action, the Examiner rejected claims 1-5, and 14 under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 6,035,329 issued to Mages et al. ("Mages"). Applicant respectfully traverses the rejections for the following reasons.

Mages discloses the use of a special code or the header of the DVD-ROM indicating a per-perview title (Col. 2, lines 49-51). The pay-per-view DVD, by detection of a code rather than one of the three parental codes, via the header extension or binary code on the DVD-ROM (Col. 3, lines 44-47). Mages also discloses a Hyper-DVD files that are read, analyzed, and the critical information thereof is extracted (Col. 4, lines 6-8). Mages, however, does not disclose the first indicia is stored in a burst cut areas (BCA) of a recording medium.

To support a 102 rejection, the Examiner must show that "each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference." <u>Verdegaal Bro. v. Union Oil Co. of California</u>, 814 F.2d 628, 631 (Fed. Cir. 1987), (MPEP §2131). In addition, "[t]he identical

Docket No.: IA 1510.01 US

USSN: 09/912,079

PATENT Art Unit: 3627

invention must be shown in as complete detail as is contained in the ... claim." Richardson v. Suzuki Motor Co., 868 F.2d 1226, 1236, 9 USPQ2d 1913, 1920 (Fed. Cir. 1989), (MPEP §2131). Here, there is no specific language in Mages that teaches a first indicia that is stored in the BCA of a recording medium.

Mages, taken alone or in any combination, do not disclose, suggest, or render obvious an indicia that is stored in the BCA of a recording medium.

Therefore, Applicant respectfully requests that rejection be withdrawn.

II. REJECTIONS UNDER 35 U.S.C. § 103

The Examiner rejected claims 6, 12, and 13, claims 7-9, and claims 10 and 11 under U.S.C. § 103(a) as being unpatentable over <u>Mages</u>, and respectively, in view of U.S. Patent No. 4,658,093 issued to Hellman ("<u>Hellman</u>"), U.S. Patent No. 6,332,126 issued to Peirce, et al. ("<u>Peirce</u>"), and U.S. Patent No. 6,260,758 issued to Blumberg ("<u>Blumberg</u>"). Applicant respectfully traverses the rejections for the following reasons.

Hellman discloses a software that can be authorized for use a given number of times by a base unit after which the base unit cannot use that software until the manufacturer sends an authorization for additional used to the user's base unit (Hellman, Abstract lines 11-14 and Col. 4, lines 21-26). Hellman, however, does not disclose an indicia that is stored in the BCA of a recording medium.

Peirce discloses system and method for a targeted payment system discount program. The system and method utilizes five basic steps: (1) an automated process which enables the merchant to target consumers, (2) an automated process which matches targeted merchant offers against a data base

Docket No.: IA 1510.01 US

PATENT

USSN: 09/912,079

Art Unit: 3627

of consumers, (3) an automated process which provides the consumer with the best value, (4) the ability for the consumer to act on value proposition, and (5) an automated process which reports on the execution of the discount transaction (Peirce, Col. 2, lines 15-46). Unlike the present invention, Peirce does not disclose a first indicia that is stored in the BCA of a recording medium.

Blumberg discloses a promotional financial transaction machine method. The patron-interactive promotional section of the promotional receipt can include any of a variety of rewards to the patron (Blumberg, Col. 5, line 65 to Col. 7, line1). There is nowhere in Blumberg that discloses a first indicia that is stored in the BCA of a recording medium.

Mages, Hellman, Pierce, and Blumberg, taken alone or in any combination, do not disclose, suggest, or render obvious a first indicia that is stored in a BCA of a recording medium.

Therefore, Applicant believes that independent claim 1 and their respective dependent claims are distinguishable over the cited prior art references. Accordingly, Applicant respectfully requests the rejections under 35 U.S.C. § 103(a) be withdrawn.

Docket No.: IA 1510.01 US

USSN: 09/912,079

PATENT

Art Unit: 3627

CONCLUSION

In view of the amendments and remarks made above, it is respectfully submitted that the pending claims are in condition for allowance, and such action is respectfully solicited. If it is believed that a telephone conversation would expedite the prosecution of the present application, or clarify matters with regard to its allowance, the Examiner is invited to contact the undersigned attorney at the number listed below.

The Commissioner is hereby authorized to charge payment of any required fees associated with this Communication or credit any overpayment to Deposit Account No. 04-1175.

Respectfully submitted,

DISCOVISION ASSOCIATES

Dated: April 26, 2004

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